

Schedule No. EC-1

ENERGY CREDIT FOR DIRECT ACCESS CUSTOMERS
OPTIONAL FOR QUALIFYING CUSTOMERS

AVAILABILITY

This credit applies to Direct Access Customers.

APPLICABILITY

Electric sales rendered under tariff schedules authorized by the Commission for Direct Access Customers, with the exception of interdepartmental sales or transfers and sales to electric public utilities.

TERRITORY

Within the entire territory served in California by the Utility.

MONTHLY RATE

Price Index*

Firm On-Peak: The average daily Firm Dow Jones California Oregon Border Index (COB) for Monday through Saturday (except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day): 6:00 a.m. to 10:00 p.m. during the billing period, adjusted for delivery losses.

Firm Off-Peak: The average daily Firm COB Index for Monday through Saturday: 10:00 p.m. to 6:00 a.m. and all day Sunday, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day during the billing period, adjusted for delivery losses.

Due to the expansions of Daylight Saving Time (DST) as adopted under Section 110 of the U.S. Energy Policy Act of 2005 the time periods shown above will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April, and for the period between the last Sunday in October and the first Sunday in November.

If prices are not available, the previous day's prices for on-peak and off-peak periods as described above will be used.

Delivery losses:	<u>Secondary</u>	<u>Primary</u>	<u>Transmission</u>
	16.64%	9.86%	4.48%

Energy Credit

For customers with hourly time-of-use metering: Energy Credit is the Customer's recorded on-peak kWh usage multiplied by the billing period's On-Peak Price Index and the Customer's recorded off-peak kWh usage multiplied by the Off-Peak Price Index.

For load-profile customers: Energy Credit is the sum of: the recorded kWh during the billing period multiplied by the load profile's on-peak proportional weight multiplied by the billing period's On-Peak Price Index, plus the recorded kWh during the billing period multiplied by the load profile's off-peak proportional weight multiplied by the billing period's Off-Peak Price Index.

* In 1996, the Legislature passed Assembly Bill 1890 which amended the Public Utilities Act to allow direct transactions between electricity suppliers and energy use customers. The Commission [Public Utilities (PU) Code Section 401-443] authorized the application of a Direct Access Credit (Decision No. 97-12-093 effective January 1, 1998) to all energy billed to a Direct Access Customer.

Issued by

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Decision No. _____ VP, Regulation Effective March 1, 2007

Title